

Department of Veterans Affairs

§ 1.911

§ 1.904 Conversion claims.

The instructions contained in §§ 1.900 through 1.954 are directed primarily to the recovery of money on behalf of the Government and the circumstances in which the Department of Veterans Affairs may dispose of claims for less than the full amount. In addition, the Department of Veterans Affairs will assert demands for the return of specific property or the payment of its value in cases of conversion.

§ 1.905 Subdivision of claims not authorized.

Claims shall not be subdivided in order to avoid the monetary ceiling established by 31 U.S.C. 3711(a)(2). A debtor's liability arising from a particular transaction or contract shall be considered as a single claim in determining whether the claim is one of less than \$20,000, exclusive of interest and administrative costs, either for purposes of suspension or termination of collection action (§§ 1.940 through 1.943) or for determining the applicability of the \$20,000 limit with respect to compromise (§§ 1.930 through 1.938).

(Authority: 31 U.S.C. 3711)

[52 FR 42105, Nov. 3, 1987]

§ 1.906 Required administrative proceedings.

Nothing contained in §§ 1.900 through 1.954 is intended to foreclose the right of any debtor to appeal or administrative hearing provided by statute, contract, or applicable Department of Veterans Affairs Regulation.

§ 1.907 Definitions.

(a) For the purpose of §§ 1.900 through 1.954, the terms *claims* and *debt* are synonymous and interchangeable. They refer to any amount of money or property which has been determined by an appropriate official of VA to be owed to the United States by any person, organization or entity, except another Federal agency.

(b) A debt is considered delinquent if it has not been paid by the date specified in the initial written notice of indebtedness or applicable contractual agreement, unless other satisfactory payment arrangements have been previously made. A debt is also considered

delinquent if the debtor fails to satisfy obligations under a repayment agreement with VA.

(c) As used in §§ 1.900 through 1.954, *referral for litigation* means referral to the Department of Justice for appropriate legal actions, except in those specified instances where a case is referred to VA Regional Counsel for legal action.

(Authority: 31 U.S.C. 3701, 3711)

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STANDARDS FOR COLLECTION OF CLAIMS

AUTHORITY: Sections 1.910 to 1.921 issued under 72 Stat. 1114; 38 U.S.C. 501.

SOURCE: 32 FR 2613, Feb. 8, 1967, unless otherwise noted.

§ 1.910 Aggressive collection action.

The Department of Veterans Affairs will take aggressive action, on a timely basis with effective followup, to collect all claims for money or property arising from its activities.

§ 1.911 Collection of debts owed by reason of participation in a benefits program.

(a) *Scope.* This section applies to the collection of debts resulting from an individual's participation in a benefits program administered by the Department of Veterans Affairs. It does not apply to the Department's other claims collection activities. (Note: School liability debts are governed by § 21.4009; financial institution debts are subject to chapter II, parts 209, 210, and 240 of title 31, Code of Federal Regulations; and other debts are governed by part 102 of title 4 of the Code of Federal Regulations.)

(b) *Written demands.* When the Department of Veterans Affairs has determined that a debt exists by reason of an administrative decision or by operation of law, the Department of Veterans Affairs shall promptly demand, in writing, payment of the debt. The Department of Veterans Affairs shall notify the debtor of his or her rights and remedies in connection with the debt and the consequences of failure to